

**REMARKS**

The Office Action of September 14, 2007 has been carefully considered. Reconsideration of this application is respectfully requested in light of the arguments and amendments set forth herein.

Applicants respectfully seek to correct the Office Action Summary and to state, for the record, that while an Information Disclosure Statement was submitted by Applicants on August 29, 2007, the current Office Action is also responsive to Applicants' prior response. Moreover, the samples requested by the Examiner were delivered by the undersigned attorney to the Examiner's Supervisor on August 3, 2007. Applicants further note what appear to be typographical errors in the rejection of claim 24, where the rejection is in view of "Lui *[sic]* et al. (6,982,101)" which Applicants previously pointed out and understand to refer to Liu et al. 6,982,101. In the event the Examiner has relied upon a different reference, Applicants respectfully request the Examiner make the reference of record and permit Applicants further opportunity to respond.

Turning now to the office action, claim 8 was rejected under 35 USC §112, second paragraph as being indefinite. Claims 1, 10, 12-18 and 20-23 were rejected under 35 USC §103(a) as being unpatentable over Lui *[sic]* et al, US 6,982,101 ("Liu"). Claims 1-8, 10, 12-18 and 20-23 were rejected under 35 USC §103(a) as being unpatentable over M.J. Hinds et al., Journal of Food Science article ("Hinds"). Claim 24 is rejected under 35 USC §103(a) as being unpatentable over Hinds and further in view of "Liu *[sic]* et al. (6,982,101)" which Applicants understand to refer to Lui et al. 6,982,101. Claims 9, 11, 19 and 24 appear to have been rejected under 35 USC §103(a) as being unpatentable over Hinds and Liu and further in view of Krisinski et al., US 4,143,176 ("Krisinski").

**Conflicting Rejections**

Applicants respectfully note that the Examiner has set forth conflicting rejections, particularly relative to claim 24. On the one hand, the Examiner rejects claim 24 under 35 USC §103(a) as unpatentable over Hinds in view of Liu. Immediately thereafter, the Examiner again rejects claim 24, among others, as apparently being unpatentable over Hinds in view of Liu and Krisinski. As a result of claim 24 being rejected under two different bases, Applicants respectfully submit that there is ambiguity in the rejections and that the Examiner has not met the requirements of 37 CFR §1.104 which requires

that the “examiner’s action will be complete as to all matters...” In the event that a rejection of claim 24 is maintained, Applicants respectfully request that it be set forth with particularity such that Applicants may properly respond thereto.

Response to Examiner’s Comments on Applicants’ Prior Arguments

Applicants note that in spite of indicating that previous arguments were non-persuasive, the Examiner has removed rejections based upon Applicants’ American Classic jar label, and no longer relies upon Rombauer as the basis for any current rejection.

Furthermore, as to the Examiner’s comments on the samples submitted, Applicants note that the Examiner is incorrect in asserting (Office Action p. 9, e.g., lines 8-12) that extra oil was added and resulted in the separated oil observed on the top. Rombauer (Joy of Cooking) teaches at p. 564 the addition of “1½ to 2 Tablespoons oil to 1 cup peanuts...” As set forth in the Affidavit of Jacob Rawleigh (submitted with Applicants’ response on Aug. 8, 2007), the Rombauer recipe was followed, using 4 Tablespoons of oil (safflower and vegetable) to 2 cups of peanuts (albeit doubled, as noted in the affidavit, to produce a quantity similar in volume to that in other sample jars). Accordingly, Applicants believe the Examiner is incorrect in implying that extra oil was added or resulted in the separation as no extra oil was added. As to the Examiner’s further comments relative to the samples provided, Applicants respectfully submit that the samples were prepared in response to the Examiner’s suggestion, and do indeed demonstrate that conventional peanut butters (e.g., Rombauer recipe as well as Once Again Nut Butter’s (assignee of the instant application) own “non-stabilized” typically exhibit separation of oil that rises to the surface of the stored product. On the other hand, the claimed composition, and associated method of manufacture, does not exhibit such separation.

Lastly, the Examiner appears to suggest that Applicants may prepare organic and inorganic [sic] products for comparison using the same production methods. Presumably the Examiner intended to refer to “non-organic” ingredients? Applicants respectfully urge that such a request is impractical as to introduce non-organic ingredients into the assignee’s production facility could “contaminate” the production facility so as to preclude Applicants from labeling subsequently-produced product as organic under USDA requirements. Furthermore, as set forth below, the amended claims are believed to be patentably distinguishable so as to remove any need for the submission of further samples. Nonetheless, in the event the Examiner continues to

believe that further samples would be of use in the examination process, the Examiner is urged to contact the undersigned attorney to discuss such a request.

### Traversal of Rejections

Turning next to the rejections, claim 8 was rejected under 35 USC §112, second paragraph as being indefinite. Applicants are confused as to where the Examiner urges there is any indefiniteness as each “member” of the recited group is separated by a comma. Nonetheless, Applicants have deleted the last three entries in the recited group as well as the word “organic” that has apparently been objected to by the Examiner. Applicants have amended claim 8 to eliminate the word “organic” and to delete the artificial sweeteners. Accordingly, amended claim 8 is respectfully urged to particularly point out and distinctly claim the subject matter regarded as the invention, and to otherwise meet the requirements of 35 USC §112, second paragraph. In the event that the Examiner continues to believe the amended claim is indefinite, Applicants respectfully request that the Examiner set forth, with specificity, the basis for such a rejection.

Considering the prior art rejections, claims 1, 10, 12-18 and 20-23 were rejected under 35 USC §103(a) as being unpatentable over Liu. In the characterization of Liu, at the top of p. 3 of the Office Action, the Examiner appears to have erred by citing two non-overlapping ranges for the amount of edible oil allegedly taught by Liu. Notably, the Examiner does not identify where such information is found in Liu so that Applicants may understand what the Examiner intended to refer to or characterize.

Considering Liu, Applicants respectfully maintain that Liu clearly teaches away from the present invention and is not properly considered as a basis for the rejection. Liu is directed to nut butter spreads. While describing steps for making such spreads, Liu specifically states that peanut oil is the preferred edible oil for peanut butter (col. 3, lines 9-10), and clearly suggests that a “sweetening composition” be added to nut pastes (col. 3, lines 35-36). The sweetening composition is described as including a stabilizer to prevent oil separation between the solid and edible oil phases (col. 3, lines 65-67). The stabilizers are described by Liu as “hydrogenated vegetable oils and their derivatives” (col. 4, line 1). Hence, Applicants understand that Liu teaches a hydrogenated vegetable oil employed as a stabilizer to prevent the separation of the peanut solids and

added edible oils. As previously urged by Applicants, such teachings are believed contrary to the objectives of the claimed invention.

In the instant Office Action, the Examiner urges that Liu's recital of "at least one stabilizer in a total amount up to about 4 wt. %" (e.g., claim 28, Summary of Invention) somehow teaches no stabilizer. Applicant's respectfully disagree with the Examiner and note that Liu expressly states, "[t]he stabilizer is preferably included in an amount up to about 4 wt. %, more preferably up to about 3 wt. %, based on the total weight of the final product" (col. 4, lines 23-26). Moreover, Liu's teaching of a stabilizer in an amount within a range implies that there is a non-zero amount of the stabilizer, contrary to the Examiner's assertion. Accordingly, Applicants respectfully maintain that Liu teaches away from the claimed invention.

Given the constraints of using only organic materials, and yet producing a peanut butter as defined under 21 CFR §164.150, Applicants continue to urge that they have identified a novel and non-obvious composition, and method of manufacture, particularly an organic peanut butter that does not separate during storage at room temperature for at least 60 days.

Applicants also refer to MPEP 2143.03, which states that "[t]o establish *prima facie* obviousness of a claimed invention, all claim limitations must be taught or suggested by the prior art. *Citing In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). 'All words in a claim must be considered in judging the patentability of that claim against the prior art.' *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970)." Applicants further contend that Liu fails to teach all the limitations of the amended independent claims, for example amended claim 1, which specifically recites "from about 5wt% to about 7wt% of a non-hydrogenated organic palm stearin oil" (underlining added). Liu does not disclose the amount or the use of a non-hydrogenated organic palm stearin, the hardest fraction of palm oil, as now set forth in the amended claims. In view of the noted distinctions, Liu also does not teach all of the elements recited in the claims and, therefore, cannot render the claim obvious.

In light of the fact that Liu teaches away from the present invention, and fails to disclose the composition set forth in the independent claims, Applicants respectfully traverse the rejection under 35 USC §103(a) in view of Liu and urge that independent claims 1 and 12, and claims dependent therefrom, are in condition for allowance.

As noted, the dependent claims are believed to be allowable for the reasons set forth for the independent claims, and Applicants have not provided further arguments in traversal of such rejections for the sake of brevity. However, Applicants do submit that the Examiner appears to have taken “official notice” with respect to several limitations (e.g., “[adding oil in mill] has to have been done in order for peanuts to have been ground...”; “reference is silent as to heating the oil”) by asserting that the limitations recited in the claims are not new or would have to have been done, etc. If the rejections of such claims are maintained, Applicants respectfully request that the Examiner, in order to meet the burden of setting out *prima facie* obviousness, set forth those teachings of Liu that are relied upon to support a rejection when all of the limitations of the claim are considered.

Claims 1-8, 10, 12-18 and 20-23 were also newly rejected under 35 USC §103(a) as being unpatentable over Hinds. Applicants traverse the rejection in light of the amendments to the independent claims and the following arguments. Applicants respectfully submit that the Hinds publication also fails to disclose the specific limitations set forth in the amended independent claims. More specifically, Hinds does not describe the use of the recited non-hydrogenated organic palm stearin oil, the hardest fraction of palm oil. Moreover, Hinds also teaches away from the recited limitations of amended independent claims 1 and 12, as it specifically teaches (like Liu) that a lower percentage of a palm oil should be used. The Examiner suggests that it would have been obvious to use the claimed amount of oil for “its known function” but fails to set forth just what that function is taught to be. And, in spite of Hinds experimental results and conclusion (last page) that suggests a range of “2.0 – 2.5% palm oil” the Examiner nonetheless urges that it would be obvious “to use more oil in a PB composition for its known function.” Applicants respectfully request that the Examiner identify where such an alteration is described or suggested. Absent such, the rejection fails to set forth a *prima facie* basis for obviousness, and Applicants respectfully traverse the rejection relative to the amended independent claims as well as claims depending therefrom.

Claim 24 is rejected under 35 USC §103(a) as being unpatentable over Hinds and further in view of Lui. Claim 24, depends from claim 12 and is believed to be in condition for allowance for the reasons set forth above relative to rejections based upon Liu and Hinds. Moreover, the rejection acknowledges that claim 24 recites peanuts “milled to produce peanut particles, wherein the peanut particles within the peanut butter have a

size in the range between about 10  $\mu\text{m}$  and about 15  $\mu\text{m}$ ." (emphasis added) The Examiner alleges that Liu discloses the recited range. However, Applicants note that Liu specifically teaches "[p]referably the nuts are ground to a fineness less than 30 mils, more preferably less than 20 mils, still more preferably about 13 mils." On the other hand, the disclosed and claimed range is between about 10 to 15  $\mu\text{m}$  (microns). The units recited are entirely different (1  $\mu\text{m}$   $\approx$  0.04 mil) and appear to be at least a factor of ten less than the preferred particle size disclosed by Liu. The rejection fails to set forth where all of the claim limitations are taught or suggested by Liu or Hinds. Accordingly, Applicants respectfully traverse the rejection and urge that *prima facie* obviousness has not been established.

Claims 9, 11, 19 and 24 appear to have been rejected under 35 USC §103(a) as being unpatentable over Hinds and Lui and further in view of Krisinski et al., US 4,143,176 ("Krisinski"). As previously noted the rejection fails to state with specificity which combination of patents and/or publications are relied upon for the rejection. Notwithstanding the lack of specificity in the rejection, Applicants submit that claims 9, 11, 19 and 24 are all dependent from either claims 1 or 12, and are also patentably distinguishable for the reasons set forth above relative to independent claims 1 and 12 relative to Liu and Hinds. Applicants further submit that Krisinski, alone or in combination, fails to teach the limitations of amended claims 1 or 12, or claims dependent therefrom.

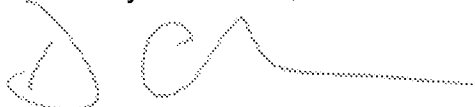
For the sake of brevity, Applicants additional arguments in traversal of the last rejection contend that the teachings of Krisinski, largely directed to processing of peanut skins, fails to set forth the specific limitations of claims 9 and 11. While Krisinski does teach the addition of skins, only a 50-60% portion of the germ is indicated as desirable. Applicants respectfully maintain that the limitations of claims 9 and 19 are not taught. In fact Krisinski indicates (col. 2, lines 25-41) that the additional step of homogenization was required to reduce undesirable characteristics, and that homogenization caused a loss of flavor volatiles. Thus, Krisinski would seem to teach away from the recited limitation of returning substantially all peanut germ separated from the peanuts during blanching as set forth in claims 9 and 19.

In view of the foregoing remarks and amendments, reconsideration of this application and allowance thereof are earnestly solicited. In the event that additional fees are

required as a result of this response, including fees for extensions of time, such fees should be charged to USPTO Deposit Account No. 50-2737 for Basch & Nickerson LLP.

In the event the Examiner considers personal contact advantageous to the timely disposition of this case, the Examiner is hereby authorized to call Applicant's attorney, Duane C. Basch, at Telephone Number (585) 899-3970, Penfield, New York.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'DCB', with a long horizontal flourish extending to the right.

/Duane C. Basch, Esq. Reg. No. 34,545/

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